DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT DIVISION OF HOUSING POLICY DEVELOPMENT

1800 Third Street, Suite 430 P. O. Box 952053 Sacramento, CA 94252-2053 (916) 323-3177 / FAX (916) 327-2643 www.hcd.ca.gov



November 25, 2008

Mr. John Bencomo, Director Planning and Public Works Department County of Yolo 292 West Beamer Street Woodland, CA 95695

Dear Mr. Bencomo:

RE: Review of the County of Yolo's Draft Housing Element

Thank you for submitting Yolo County's draft housing element received for the Department's review on September 26, 2008. The Department is required to review draft housing elements and report the findings to the locality pursuant to Government Code Section 65585(b). A telephone conversation on November 20, 2008 with Ms. Heidi Tschudin, the County's consultant, and Mr. David Morrison, of your staff, facilitated the review.

The draft element addresses many statutory requirements; however, revisions will be necessary to comply with State housing element law (Article 10.6 of the Government Code). In particular, the element must include analyses of the adequacy of identified sites to accommodate the regional housing need for lower-income households. This and other revisions are described in the enclosed Appendix.

The Department is available to assist the County in revising the element to comply with housing element law. If you have any questions or would like to schedule a meeting in Woodland or Sacramento, please contact Brett Arriaga, of our staff, at (916) 445-5888.

Sincerely,

Cathy E/ Creswell Deputy/Director

thy & Creswell

Enclosure

APPENDIX COUNTY OF YOLO

The following changes would bring Yolo County's housing element into compliance with Article 10.6 of the Government Code. Accompanying each recommended change, we cite the supporting section of the Government Code.

Housing element technical assistance information is available on the Department's website at www.hcd.ca.gov/hpd. Refer to the Division of Housing Policy Development and the section pertaining to State Housing Planning. Among other resources, the Housing Element section contains the Department's latest technical assistance tool *Building Blocks for Effective Housing Elements (Building Blocks)* available at www.hcd.ca.gov/hpd/housing_element2/index.php, the Government Code addressing State housing element law and other resources.

A. Review and Revision

1. Review the previous element to evaluate the appropriateness, effectiveness, and progress in implementation, and reflect the results of this review in the revised element (Section 65588 (a) and (b)).

The review requirement is one of the most important features of the element update and necessary to evaluate the County's performance in addressing housing goals. This information provides the basis for developing an effective housing program. While the element describes some of the actions taken to implement programs, it does not describe the results of the prior element's programs or compare those results to the planned objectives to evaluate effectiveness and improve programs as appropriate in the current planning period. For example:

<u>Provision of Housing to Meet the Prior Regional Housing Need Allocation (RHNA)</u>: While the element notes the County received grant money for the new homebuyer's assistance program, it should also indicate how many homebuyers were assisted during the previous planning period.

<u>Provision of Affordable Housing</u>: Though the element describes measures taken by the County and Local Agency Formation Committee (LAFCO) to create an agricultural land conversion ordinance exemption for low- and moderate-income households, it should also describe if the exemptions were utilized. As noted during our November 20, 2008 conversation, the County utilizes this exemption frequently and the element should note this progress.

Rehabilitation/Conservation: While the element describes the Mobile Home Park Resident Ownership Program that offers financial assistance for the preservation of mobilehome parks (HO-11), it should also quantify the number of units conserved or whether applications were pursued.

B. Housing needs, Resources, and Constraints

1. Include an analysis of population and employment trends and documentation of projections and a quantification of the locality's existing and projected needs for all income levels, including extremely low-income households (Section 65583(a)(1)).

In accordance with Chapter 891, Statutes of 2006 (AB 2634), the element must quantify existing and projected extremely low-income households and analyze their housing needs. While the element includes the total number of existing extremely low-income (Table HO-7), it must analyze their needs such as tenure and rates of overpayment and overcrowding and provide an estimate of projected extremely low-income households for the planning period. The element may either use available census data to calculate the number of extremely low-income households, or presume 50 percent of the very low-income households qualify as extremely low-income households. To assist the analysis, see the enclosed Comprehensive Housing Affordability Strategy (CHAS) data and the Department's sample analysis from the *Building Blocks*' website at http://www.hcd.ca.gov/hpd/housing-element2/EHN extremelylowincome.php.

2. Include an inventory of land suitable for residential development, including vacant sites and sites having the potential for redevelopment, and an analysis of the relationship of zoning and public facilities and services to these sites (Section 65583(a)(3) and 65583.2).

Yolo County has a regional housing need of 1,403 housing units for the current planning period of which, 517 units are for lower-income households. To address this need, the element relies on a variety of strategies, including recent construction and approvals, university housing, agriculture and vacant sites. However, to demonstrate the adequacy of these strategies and sites to accommodate the County's share of the remaining regional housing need, the element must include analyses, as follows:

Progress Toward Meeting the RHNA

The element indicates 801 units have been proposed, approved and constructed since 2006 (Table HO-38). The element describes affordability of constructed units based on construction values (HO-76); however, to credit these units toward the County's share of the regional housing need, the element must demonstrate the affordability of the units based on actual rents and sales prices or other mechanisms ensuring affordability in the planning period. Further, to demonstrate affordability of proposed and approved projects, the element should provide forecasted sales prices and rent figures or otherwise support projected affordability levels.

Site Inventory and Analysis

Sites Inventory: While the element generally describes sites within agricultural areas to accommodate the regional housing need for lower- and moderate-income households (pages HO-79 to HO-81), it must also provide parcel specific information. The element could use a format similar to the vacant sites inventory found in Appendix B.

Zoning to Encourage Housing for Lower-Income Households: The element identifies three zones (R1, R2 and R3) as appropriate to encourage and facilitate the development of housing for lower-income households (Appendix B), but does not include an analysis supporting this conclusion. For communities with densities that meet specific standards (at least 20 units/acre for Yolo County), this analysis is not required. While the R3 zone appears to meet this standard, the element only identifies capacity for 21 units in this zone. Additionally, since the R1 zone is intended for single-family homes at a maximum density of six units per acre, it does not appear this zone provides potential to accommodate housing for lower-income households. It appears the County must either identify additional R3 zone opportunities or rely on sites within the R2 zone. As a result, the element must demonstrate that the R2 zone encourages and facilitates the development of housing for lower-income households based on factors such as market demand, financial feasibility and development experience within the zone. The element could also identify additional R3 zoned sites to meet this statutory requirement.

Given the importance of preserving agricultural resources <u>and</u> addressing future housing needs, the County should maintain a sufficient capacity of multifamily sites. Higher density sites maximize existing land resources and allow preservation of open space and reduce premature conversion of agricultural resources. However, the element identifies only one multifamily site (R3) with a capacity for 21 units, representing only three percent of the residential capacity on vacant residentially zoned sites (Table HO-41 and Appendix B). Through the current general plan update, Yolo County has the opportunity to further housing, agriculture and environmental goals by providing additional higher density multifamily zoned sites.

Agricultural Zones: While the element assumes at least 75 "farm dwellings" will be added in agriculture areas annually based on past production levels (page HO-81), it must detail this past production (i.e., units per year) to support this assumption. Further, the element assumes 58 percent of the "farm dwellings", expected to be developed during the planning period, will be developed primarily as mobile and manufactured homes and will be affordable to lower- and moderate-income households (page HO-81). Though the element indicates affordability projections are based on construction values, the element must support these assumptions based on actual rents and sales data.

Realistic Capacity: The element must describe the methodology for determining the capacity estimates of sites in the inventory and demonstrate the estimates reflect landuse controls and site improvement requirements. While the element lists site capacity of vacant parcels for residential development (Appendix B) based on maximum densities, the element must include an analysis to support the density calculation including typical built densities.

Infrastructure: While the element notes infrastructure can be made available through incremental improvements, it should clearly describe existing and planned total capacity in Esparto, Knights Landing and Madison and whether it is sufficient to accommodate the regional housing need. The element should revise Action HO-A27 to ensure infrastructure capacity and availability during the planning period as described in finding D2.

Suitability of Small Sites: Many sites in the inventory, particularly the vacant residential sites zoned for multifamily listed in Appendix B, are less than half an acre. The only R3 site listed in Appendix B is less than half an acre, while many of the R2 sites are smaller than one acre. The element must include an analysis of smaller sites, demonstrating their feasibility and potential for more intense residential development capacity in the planning period. The element could use development trends to facilitate this analysis and should also address financial feasibility of development for lower-income households on smaller sites, given necessary economies of scale. This is particularly important because most assisted housing developments utilizing State or federal financial resources typically include at least 50 to 80 units.

Zoning for a Variety of Housing Types

The element must identify zoning districts available to encourage and facilitate a variety of housing types including emergency shelters, transitional housing, housing for farmworkers, factory-built housing, single-room occupancy (SRO) units and supportive housing. An adequate analysis should, at minimum, identify whether these housing types are allowed in any zoning districts and analyze zoning, development standards, permit procedure and standard conditions of approval. If the analysis does not demonstrate adequate zoning for these housing types, the element must include a program to provide appropriate zoning.

SROs: The County does not specifically address SROs in the zoning ordinance. As a result, the element must include a program to amend zoning to allow the use and ensure zoning, development standards and permit procedures encourage and facilitate the development of SRO units.

Emergency Shelters: While the element includes a program to address recent changes to housing element law (Chapter 633, Statutes 2007 [SB 2]) by committing to identify an appropriate zone where emergency shelters will be allowed without a conditional use permit (CUP) or other discretionary action, the element must specifically identify the zone and demonstrate sufficient capacity to accommodate at least one emergency shelter. The element should also describe available capacity within the proposed zone, characteristics of the zone, and the suitability of the zone for emergency shelters. Please see the Department's SB 2 technical assistance memo at http://www.hcd.ca.gov/hpd/sb2 memo050708.pdf.

Transitional/Supportive: The element indicates the County allows transitional housing for six or few persons (page HO-56). However, pursuant to SB 2, transitional and supportive housing shall be considered a residential use, regardless of the number of people, and only subject to those restrictions that apply to other residential uses of the same type in the same zone. The element should demonstrate zoning consistent with these requirements or include programs as appropriate.

3. An analysis of potential and actual governmental constraints upon the maintenance, improvement, or development of housing for all income levels and for persons with disabilities, including land use controls and local processing and permit procedures (Section 65583(a)(5)).

Land-Use Controls: During the phone conversation, Mr. Morrison indicated slight variations of development standards for various Community Plans (Esparto, Knights Landing and Madison). The element should include a description and analysis of the Community Plan requirements including parking, lot coverage and any other requirements for each residential zoning district. The analysis should identify requirements of the Community Plans, particularly for multifamily or mixed-use development, and analyze their potential impacts on the supply and affordability of housing and ability to achieve maximum densities.

On/Off-Site Improvements: The element did not address this requirement. The element should be revised to describe and analyze specific on- and off-site improvements for residential development such as requirements for street widths, sidewalks, water and sewer connections and circulation improvements required for residential developments and assess their impact on the cost and supply of housing. The element could analyze on/off-site improvements similar to the analysis included in Yolo County's housing element for the 2002-2007 planning period.

Constraints on Housing for Persons with Disabilities: The element generally states the County has not identified any constraints in its policies or regulations with regards to providing housing for persons with disabilities (page HO-72). However, pursuant to Chapter 671, Statutes of 2001 (SB 520), the element must include an analysis of zoning, development standards and approval procedures for the development of housing for persons with disabilities. For example, among other things, the element should identify and analyze: (1) any definitions of family in the zoning code; (2) whether the locality has an established reasonable accommodation procedure; (3) maximum concentration requirements for residential care facilities; (4) any site planning requirements that may constrain housing for persons with disabilities; and (5) any parking requirements for housing for persons with disabilities. Once an analysis is conducted, the element may need to include programs to address any identified constraints. To assist in addressing this statutory requirement, refer to the Building Blocks' section on Constraints for Persons with Disabilities with sample analyses at http://www.hcd.ca.gov/hpd/housing_element2/CON_disabilities.php and the Department's SB 520 memo with analysis tool (page 10) at http://www.hcd.ca.gov/hpd/hrc/plan/he/sb520 hpd.pdf.

4. Analyze any special housing needs, such as those of the handicapped, elderly, large families, farmworkers, families with female heads of households, and families and person in need of emergency shelter (Section 65583(a)(6)).

While the element quantifies employment characteristics of farmworkers in Yolo County, it should also provide an estimate of the number of seasonal and permanent farmworkers and their housing needs. This analysis will assist the County in addressing any unmet housing need and whether new or revised program responses are required.

Please see the sample analysis at http://www.hcd.ca.gov/hpd/housing element/examples/Screen10farmworkers.pdf and the following organizations and data sources:

- Migrant and Seasonal Farmworker Enumeration Profiles Study, California, 2000 -http://www.ncfh.org/enumeration/PDF2%20California.pdf;
- USDA Census of Agriculture, 2002 http://www.agcensus.usda.gov/Publications/2002/Census by State/California/index.asp;
- Migrant Education, Area 2 -- (530) 666-1977;
- Woodland Farmworker Services -- (530) 662-9601; and
- Yolo County Farm Bureau -- (530) 662-6316.

C. Quantified Objectives

Establish the maximum number of housing units that can be constructed, rehabilitated, and conserved over a five-year time frame (Section 65583(b)(1 & 2)).

While the element includes quantified objectives for very low-, low-, moderate- and above moderate-income (Table 43), it must also include objectives for <u>extremely low-income</u> households.

D. <u>Housing Programs</u>

1. Include a program which sets forth a five-year schedule of actions the local government is undertaking or intends to undertake to implement the policies and achieve the goals and objectives of the housing element through the administration of land use and development controls, provision of regulatory concessions and incentives, and the utilization of appropriate federal and state financing and subsidy programs when available. The program shall include an identification of the agencies and officials responsible for the implementation of the various actions (Section 65583(c)).

To facilitate program implementation and monitoring, programs should provide numerical objectives and implementation descriptions. Most programs do not provide specific objectives and detailed descriptions of their implementation (pages HO-90 to HO-103). For example, Action HO-57 should provide a <u>numerical</u> goal as to how many owners of rental properties the County expects will be assisted during the planning period. Examples of other programs needing to provide numerical goals are Actions HO-A25, HO-A30 and HO-A52. The element could utilize a format similar to Yolo County's housing element for the 2002-2007 planning period. Additionally, other programs needing revision include, but are not limited to, include the following:

Action HO-8 (Mobile Home Park Resident Ownership Program): Describe how the County will outreach to tenants about the Mobile Home Parks Resident Ownership Program.

<u>Action HO-A20 (First-Time Homebuyers Assistance)</u>: Describe how the County will conduct outreach to first-time homebuyers.

<u>Action HO-A22 (Assist organizations to reduce development costs)</u>: Describe <u>how</u> the County will assist non-profit organizations and private developers prepare applications that help reduce land or site development costs.

<u>Action HO-A55 (Rehabilitation Assistance)</u>: Describe <u>how</u> the County will publicize information about rehabilitation assistance.

2. Identify adequate sites which will be made available through appropriate zoning and development standards and with public services and facilities needed to facilitate and encourage the development of a variety of types of housing for all income levels, including rental housing, factory-built housing, mobilehomes, and emergency shelters and transitional housing. Where the inventory of sites, pursuant to paragraph (3) of subdivision (a), does not identify adequate sites to accommodate the need for groups of all household income levels pursuant to Section 65584, the program shall provide for sufficient sites with zoning that permits owner-occupied and rental multifamily residential use by right, including density and development standards that could accommodate and facilitate the feasibility of housing for very low- and low-income households (Section 65583(c)(1)).

As noted in the finding B2, the element does not include a complete site analysis and therefore, the adequacy of sites and zoning were not established. Based on the results of a complete sites inventory and analysis, the County may need to add or strengthen programs to address a shortfall of sites or zoning available to encourage a variety of housing types. At a minimum, the element should be revised as follows:

<u>Action HO-A27 (Infrastructure Alternatives)</u>: As noted in finding B2, the program should be revised to address infrastructure capacity and availability during the planning period. The program should be revised to include specific actions the County will take to allow a range of treatment technologies.

Action HO-A42 (Emergency and Transitional): While Action HO-A42 describes the County's commitment to comply with Chapter 633, Statutes of 2007 (SB 2), the schedule must be revised to ensure implementation within one year of the element's adoption. Additionally, pursuant to SB 2, Action HO-A42 must identify the actual zone (i.e., General Commercial or Multifamily) to be established or amended to permit emergency shelters and:

- clarify that Emergency Shelters are to be permitted without a CUP or other discretionary action; and
- ensure shelters are only subject to the same development and management standards that apply to other allowed uses within the identified zone.

<u>Transitional and Supportive</u>: The element should add a program to amend zoning to permit transitional and supportive housing as a residential use and only subject to those restrictions that apply to other residential uses of the same type in the same zone.

<u>SROs</u>: As noted in finding B2, the element should amend the County's zoning ordinance to allow the development of SRO units. The program should specify zoning, development standards and permit procedures that encourage and facilitate the development of SRO units by a date specific.

3. Assist in the development of adequate housing to meet the needs of extremely low-, very low-, low-, and moderate-income households (Section 65583(c)(2)).

In accordance with Chapter 891, Statutes of 2006, the element must include programs to assist in the development of housing for <u>extremely low-income households</u>. Programs should be modified or added to specifically assist in the development of a variety of housing types to meet the needs of these households. In addition, programs should be revised as follows:

<u>Action HO-A16 (Farmworker Housing)</u>: As noted in the element, a clear need exists throughout Yolo County for farmworkers (page HO-53 to HO-54). As a result, the element should add specific actions to assist in the development of housing for farmworkers. For example, the County could include program actions to provide development incentives, expedited permit processing and fee deferrals for housing for farmworkers.

Action HO-A25 (Financial Assistance to Low- and Moderate-Income Households): This program could be revised to provide assistance for extremely low-income households. Additionally, the program should describe <a href="https://example.com/how-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine-novine

4. The housing element shall contain programs which "address, and where appropriate and legally possible, remove governmental constraints to the maintenance, improvement, and development of housing" (Section 65583(c)(3)).

As noted in finding B3, the element requires a complete analysis of potential governmental constraints. Depending upon the results of that analysis, the County may need to strengthen or add programs and address and remove or mitigate any identified constraints. In addition:

Action HO-A1 (Target ratios for apartments to for-sale housing): The element should be expanded to describe the current balance of single- and multi-family uses and target ratios the County intends to encourage. This proposed action should also be analyzed to ensure compliance with fair housing provisions (e.g., Government Code Section 65008 and Government Code Section 65589.5). For example, implementation of this program action should not be a basis or finding to deny multifamily developments otherwise consistent with zoning, particularly those projects that include units affordable to lower-income households.

5. The housing program shall preserve for low-income household the assisted housing developments identified pursuant to paragraph (8) of subdivision (a). The program for preservation of the assisted housing developments shall utilize, to the extent necessary, all available federal, state, and local financing and subsidy programs identified in paragraph (8) of subdivision (a), except where a community has other urgent needs for which alternative funding sources are not available. The program may include strategies that involve local regulation and technical assistance (Section 65583(c)(6)).

While Action HO-A53 commits the County to monitor affordable units eligible to convert to market-rate and take appropriate actions to preserve these units (page HO-100), the element should describe <u>specific</u> actions to preserve at-risk housing. For example, the County could include proactive efforts to notify tenants, conduct community education, support non-profit funding applications for acquisition and rehabilitation or allocation of local funds. Additional information and resources are available from the California Housing Partnership Corporation (CHPC) at http://www.chpc.net. Sample programs are included in the *Building Blocks*' section on Preserve Units At-Risk of Conversion to Market-Rate Uses at http://www.hcd.ca.gov/hpd/housing_element2/PRO conserve.php.

E. Public Participation

Local governments shall make a diligent effort to achieve public participation of all economic segments of the community in the development of the housing element, and the element shall describe this effort (Section 65583(c)).

The element provides a brief description of invitations sent to advocacy groups, non-profits and other organizations; however, it did not demonstrate effectiveness of the efforts. During our November 20, 2008 conversation, the County described multiple forms of outreach efforts besides invitations. The element should include a description of these efforts and their effectiveness (i.e., attendance). Finally, the element should include a description of general comments received and how those comments were incorporated into the housing element. The County should continue to engage the community through the adoption and implementation of the housing element.

F. Consistency with General Plan

The housing element shall describe the means by which consistency will be achieved with other general plan elements and community goals (Section 65583(c)).

The element did not address this requirement. The element must include a discussion of how consistency will be achieved <u>and</u> maintained during the planning period. See the *Building Blocks*' for assistance with this requirement at http://www.hcd.ca.gov/hpd/housing_element2/OR_costal.php.